

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR. Governor

GARY R. HERBERT Lieutenant Governor

January 25, 2007

Mr. Lon Thomas, President Star Stone Quarries, Inc. 4040 South 300 West Salt Lake City, Utah 84107

Subject: Request to Amend Permit, Star Stone Quarries, Inc., Peoa Blonde Mine

Site, M0430012, Summit County, Utah

Dear Mr. Thomas,

The Division of Oil, Gas & Mining (Division) received a small mine Notice of Intention (Notice) from Wright/Garff Resources, LLC (Wright/Garff), to mine a portion of the area currently permitted as the Peoa Blonde Quarry, M0430012. Wright/Garff owns the subsurface rights and mineral interest to a portion of the Peoa Blonde Mine. Wright/Garff was notified that the Notice would not be processed. Wright/Garff appealed the Division's decision and requested an informal hearing by the Division Director.

Star Stone Quarries (SSQ) operates under the Peoa Blonde large mine permit. SSQ holds a BLM mineral lease to extract rock from a portion of the permitted area. In the past, SSQ held a lease from Wright/Garff to extract rock from that portion on which Wright/Garff owns the mineral estate. SSQ no longer has the right to extract rock from the Wright/Garff mineral estate and instead, uses the surface area to mill rock that it obtains from an adjacent permitted area.

Under the Peoa Blonde large mine permit, both milling and extraction are valid mining activities. Nevertheless, as the mineral estate owner, Wright/Garff holds a superior right to extract its mineral and SSQ must accommodate Wright/Garff's superior right. While a mine permit lasts for the life of the mine, see Utah Code Ann. § 40-8-16, a permittee is required to amend the mining and reclamation plan if a change in the operation occurs, id. § 40-8-18.

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The Division requests that SSQ amend the Peoa Blonde mine plan to accurately reflect the current and future conditions. The amendment should address at a minimum:

- The transfer of the area required by Wright/Garff to extract their mineral interest;
- The extent and duration of rock extraction affected by these changes;
- Addition and ultimate deposition of waste material being brought from adjacent areas;
- Changes to the reclamation of the quarry and dumps; and
- Impact of these changes on reclamation surety.

The Division intends to schedule an informal hearing with the Division Director in the near future. The Division invites SSQ to attend the hearing and bring a proposal identifying those portions of the mine plan that could be altered to accommodate a new permit for Wright/Garff. The Division hopes that SSQ and Wright/Garff will find common ground and resolve these issues without seeking adjudicative remedies.

Sincerely,

Susan M. White,

Mining Program Coordinator Mineral Regulatory Program

Suran M. Dohite

SMW:pb
Attachment: Copy of letter to Ed Rogers, dated 1/25/07
cc: Ed Rogers, Wright/Garff Resources, LLC
Keli Beard, AG
Steve Alder, AG
Mary Ann Wright
Daron Haddock
Lynn Kuntzler

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